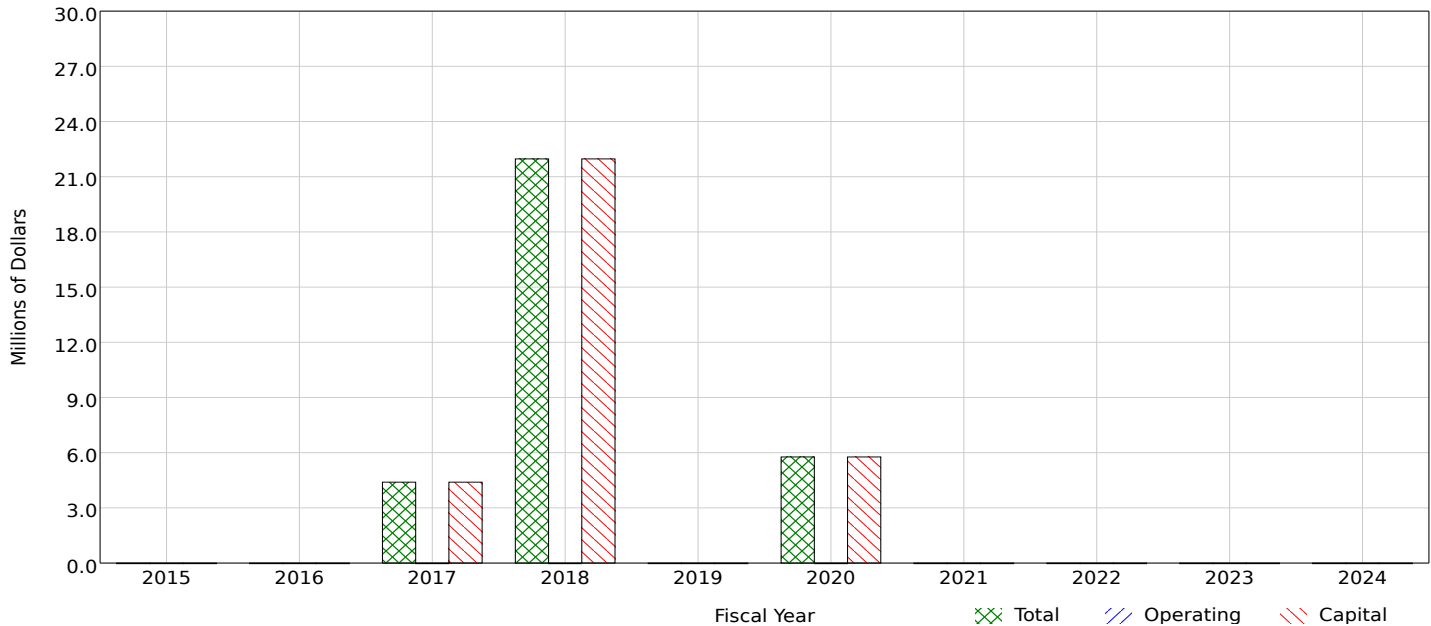


Fund Source Report

1082 Vessel Rep AMHS Vessel Replacement Fund

Year Authorized 1990	Year Repealed	Active? Yes	Mental Health? No	Duplicated? No	Fund Group Designated General
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Operating and Capital Appropriations



Legal Authority
AS 37.05.550

Source of Revenue
Consists of money appropriated to it by the legislature.

Restrictions on Use
The legislature may appropriate money from the fund for refurbishment of existing state ferry vessels, acquisition of additional state ferry vessels, or replacement of retired or outmoded state ferry vessels.

Description and History
The Alaska Marine Highway System Vessel Replacement Fund was created by Chapter 145, SLA 1990 as a savings account to be used for AMHS vessel upgrades and replacement. Money in the fund cannot be spent without further appropriation. Deposits are classified as transfers and expenditures are classified as DGF.

Chapter 48, SLA 1991 addressed the issue of vessel replacement and the capacity of vessels to respond to oil or other hazardous spills. This legislation authorized the use of the Oil and Hazardous Release Response Fund to pay for construction or refurbishment of vessels with oil spill response capability.

In FY05, the Vessel Replacement Fund code was deactivated because the Alaska Marine Highway System Fund (code 1076) could also be used for vessel replacement. With the appropriation of \$60 million to the fund in FY08 (supplemental), the code was reactivated. The \$60 million balance was appropriated from the fund as a FY10 supplemental capital appropriation.

July 2014
A second \$60 million deposit was made in FY13. In addition, excess funds associated with the "fuel trigger" were appropriated to the fund as a FY14 supplemental. In both cases, the money was immediately appropriated from the fund to pay for design and construction of a new ocean class ferry.

Effective June 30, 2022, pending enactment of HB 322, the fund will no longer be sweepable.